This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS AMMAN 006754

SIPDIS

NSC FOR GARY EDSON/JOHN CLOUD STATE PASS USTR FOR NED SAUMS TREASURY FOR PATRICIA BROWN AND MARSHALL MILLS

E.O. 12958: N/A TAGS: EFIN ETRD JO

TAGS: EFIN ETRD JO
SUBJECT: JORDAN FORMALLY ASKS FOR TAX TREATY

REF: Goldberger-Brown e-mail of 11/18 and previous

THIS IS AN ACTION REQUEST; SEE PARA 3.

11. (u) Embassy received on November 17 a diplomatic note from the GOJ that included a formal request to begin negotiating a bilateral tax treaty. Text of diplomatic note below:

¶2. (u) Begin text:

Number:WM/US/1/2533 Date:13 Nov 2002

(complimentary opening) the Jordanian delegation to the Joint Commission meetings that will be held in Washington between 11-13 December 2002 in accordance with the Free Trade Agreement wishes to start negotiations with the American side with the aim of reaching an agreement to

avoid double taxation, as a mechanism to implementing the Free Trade Agreement.

The Foreign Ministry respectfully asks the Embassy to inform the concerned American authorities of the Jordanian's side desire to negotiate about the above mentioned agreement within the framework of the preparations for the Joint Commission meetings (complimentary closing).

End text.

13. Action request: A bilateral tax treaty would provide a third "pillar" of support to Jordan's burgeoning economy, complementing our BIT and FTA. Taken together, these agreements will further promote investment and growth in Jordan, which will in turn promote social and political stability for a key regional ally. The GOJ has requested that the tax treaty be approached as a "deliverable" for the December 11 FTA Joint Commission meeting - if not a signing ceremony, at least an announcement that the two sides have agreed to begin negotiations. We would appreciate Washington guidance regarding the USG's willingness to conclude such a treaty, and an outline of the steps necessary to get there.